

**SOUTHERN CALIFORNIA GAS
COMPANY**
**NOTICE OF FILING OF ENERGY EFFICIENCY
INCENTIVE EARNINGS**
APPLICATION NO. A.11-06-032

On June 29, 2011, Southern California Gas Company (SoCalGas®) filed a proposed application with the California Public Utilities Commission (CPUC) requesting approval of energy efficiency incentive earnings for program year 2009 achievements. CPUC Decision 10-12-049, directed utilities to file their requests consistent with the risk/reward mechanism as modified by the decision. SoCalGas seeks approval of incentive earnings in the amount of \$2.038 million.

If the CPUC approves SoCalGas' request, SoCalGas will increase rates to reflect authorization of the incentive earnings. Gas rates will increase by \$2.038 million. SoCalGas requests that the amounts approved by the CPUC be recorded to existing regulatory accounts and recovered annually in gas transportation rates commencing January 1, 2012.

Gas rate impacts of SoCalGas' proposal as compared to present rates are shown in the table inside.

(Continued inside)

Southern California Gas Proposed Gas Rate Increase 2012

Customer Class	2011	2012	Change	
	¢/th	¢/th	¢	%
(a)	(b)	(c)	(d)	(e)
<u>Core</u>				
Residential	53.611	53.673	0.061	0.1
Commercial/ Industrial	31.532	31.568	0.037	0.1
Natural Gas Vehicle	8.894	8.902	0.008	0.1
	(b)	(c)	(d)	(e)
<u>Noncore</u>				
Commercial/ Industrial	7.408	7.416	0.008	0.1

The average monthly residential bill of 38 therms will change from \$39.08 at present rates to \$39.10 in 2012. This represents a 0.1% increase.

FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the application and related exhibits by writing to: J. Yamagata, Southern California Gas Company, 8330 Century Park Court, CP32D, San Diego, CA 92123. This application may be inspected at the SoCalGas business office, 555 West 5th St., Los Angeles, CA 90013.

SoCalGas' application and attachments may also be inspected at the CPUC office located at 320 West Fourth St., Suite 500, Los Angeles, CA 90013.

Copies of this application and of this insert are available on the SoCalGas website at www.socalgas.com/regulatory/cpuc.shtml.

Copies of this insert will be available for viewing and printing on the SoCalGas website at www.socalgas.com/regulatory.

CPUC PROCESS

The CPUC may hold Evidentiary Hearings (EHs) whereby parties of record provide testimony and are subject to cross-examination before a CPUC Administrative Law Judge (ALJ). These hearings are open to the public, but only those who are formal parties of record can participate. The CPUC has its own court reporters who will record the comments of those formal parties of record participating in the EHs. The Division of Ratepayer Advocates (DRA) is an independent arm of the CPUC, created by the Legislature to represent the interests of all utility customers throughout the state to obtain the lowest possible rates for service consistent with reliable and safe service levels. DRA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. After considering all proposals and evidence presented during the formal hearing process, the assigned ALJ will issue a proposed draft decision. When the CPUC issues a final decision on the application, it may adopt, amend or modify all or part of the ALJ's proposed decision as written. The CPUC's decision may be different than SoCalGas' formal request.

If you would like additional information or would like to attend these hearings, you can contact the Public Advisor's Office. You may also send your comments to the Public Advisor's Office, 320 West Fourth St., Suite 500, Los Angeles, CA 90013 or send an email to public.advisor.la@cpuc.ca.gov. Any correspondence received will become part of the formal file in this application. Please reference Application No. A.11-06-032 in any correspondence.

